

Maine Revised Statutes
Title 24-A: MAINE INSURANCE CODE
Chapter 85: VIATICAL AND LIFE SETTLEMENTS ACT
HEADING: PL 1997, c. 430, §1 (new); 2003, c. 636, §2 (rpr)

§6803. SETTLEMENT PROVIDER AND PRODUCER LICENSE; LICENSE REQUIREMENTS

1. License required. Licenses are required in accordance with this subsection.

A. A person may not act as a settlement provider without a license from the superintendent issued pursuant to this section and subject to the provisions of this chapter. [2003, c. 636, §6 (AMD) .]

B. A person may not perform the functions of, or otherwise act as, a settlement producer without a license from the superintendent as a life insurance producer. [2003, c. 636, §6 (AMD) .]

C. [2003, c. 636, §6 (RP) .]

C-1. If there is more than one viator on a single policy and the viators are residents of different states, the settlement contract is governed by the law of the state in which the viator having the largest percentage ownership resides or, if the viators hold equal ownership, the state of residence of one viator agreed upon in writing by all viators. [2003, c. 636, §6 (NEW) .]

D. [2003, c. 636, §6 (RP) .]

E. [2003, c. 636, §6 (RP) .]

[2003, c. 636, §6 (AMD) .]

2. Application; fee. Application for a settlement provider license must be made to the superintendent by the applicant on a form prescribed by the superintendent. The application must be accompanied by a fee not to exceed \$400 in accordance with section 601.

[2003, c. 636, §6 (AMD) .]

3. Renewal. A license for a settlement provider is continuous as long as the licensee remains qualified. The settlement provider must pay an annual fee not to exceed \$400 in accordance with section 601. Failure to pay the fee within the terms prescribed may result in the revocation of the license unless cured within 5 days of written notice of failure to pay to the principal office of the licensee.

[2003, c. 636, §6 (AMD) .]

4. Information required. The applicant for a settlement provider license shall provide such information as the superintendent requires and the information must be submitted on forms required by the superintendent. The superintendent may at any time require the applicant to disclose fully the identity of all stockholders except stockholders owning less than 5% of the shares of an applicant whose shares are publicly traded, partners, officers, directors, members and employees and the superintendent may, in the exercise of the superintendent's discretion, refuse to issue a license to an applicant if not satisfied that any stockholder, partner, director, member or employee of the applicant who may materially influence the applicant's conduct meets the criteria set forth in subsection 6. A settlement provider shall provide to the superintendent new or revised information about officers, stockholders controlling 10% or more of stock, partners, directors, members or designated employees within 30 days of the change.

[2003, c. 636, §6 (AMD) .]

5. Authority under license. A settlement provider license issued to any person authorizes all officers, partners, directors, members and key management personnel of that person to act on behalf of the settlement provider, unless such activity requires a license under another provision of this Title. All officers, partners, directors, members and key management personnel of the person must be named in the application and any supplements to the application.

[2003, c. 636, §6 (AMD) .]

6. Investigation. Upon the filing of an application and the payment of the settlement provider license fee, the superintendent shall make an investigation of the applicant and shall issue a license if the superintendent finds that the applicant:

A. Has provided a detailed plan of operation; [1997, c. 430, §1 (NEW); 1997, c. 430, §2 (AFF) .]

B. Is competent and trustworthy and intends to act in good faith in the capacity of a settlement provider; [2003, c. 636, §6 (AMD) .]

C. Has a good business reputation and has had experience, training or education so as to be qualified as a settlement provider; [2003, c. 636, §6 (AMD) .]

D. If organized under the laws of this State, has provided a certificate of good standing from this State. If the applicant is a foreign entity, it must provide a certificate of good standing from its state of organization and a certificate of good standing from this State; [2003, c. 636, §6 (AMD) .]

E. Has no officer, partner, director, member or key management personnel of the applicant that has been found guilty of, or has pleaded guilty or nolo contendere to, any crime involving fraud or moral turpitude, regardless of whether a judgment of conviction has been entered by the court; and [2003, c. 636, §6 (AMD) .]

F. Has provided an antifraud plan that meets the requirements of section 6818. [2003, c. 636, §6 (NEW) .]

[2003, c. 636, §6 (AMD) .]

7. Financial responsibility. Evidence of financial responsibility must be provided to the superintendent in accordance with this subsection.

A. A settlement provider shall provide evidence of financial accountability. Such evidence may include, but is not limited to, a binding and committed lending facility of at least \$1,000,000 with a term of at least one year or a net worth in excess of \$100,000. [2003, c. 636, §6 (AMD) .]

[2003, c. 636, §6 (AMD) .]

8. Nonresidents. The superintendent may not issue a settlement provider license to a nonresident applicant unless a written designation of an agent for service of process is filed and maintained with the superintendent or the applicant has filed with the superintendent the applicant's written irrevocable consent that any action against the applicant may be commenced against the applicant by service of process on the superintendent.

[2003, c. 636, §6 (AMD) .]

9. List. The superintendent shall maintain a complete list of all settlement providers licensed or with license pending in this State. The list must be available upon request to the general public.

[2003, c. 636, §6 (AMD) .]

SECTION HISTORY

1997, c. 430, §1 (NEW). 1997, c. 430, §2 (AFF). 1997, c. 592, §§76-80 (AMD). 2003, c. 636, §6 (AMD).

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